

Medicaid 101



Cross-Agency Medicaid Commission
June 28, 2010



Federal Medicaid Law

This is what the Supreme Court of the United States has said about Medicaid:

The Medicaid Act is “an aggravated assault on the English language, resistant to attempts to understand it.”

Schweiker v. Gray Panthers, 453 *U.S.* 34, 43 (1981).



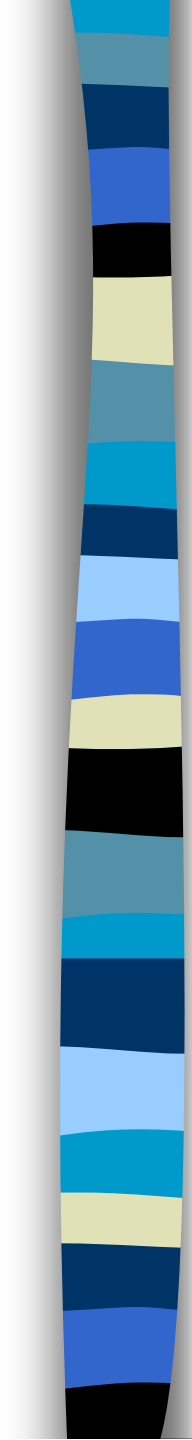
Medicaid

- Title XIX of the *Social Security Act*.
http://www.ssa.gov/OP_Home/ssact/comp-ssa.htm
- Enacted in 1965 along with Medicare.
- State/federal partnership.
- 50 states, 5 territories, DC.



Federal Matching Funds

- Federal financial participation (FFP)
- Basic requirements:
 - Reimbursement after the fact.
 - Expenditure of public funds.
 - Support the State plan or a waiver.
 - Economic and efficient.



Two Broad Categories of Matching Federal Dollars for Medicaid

- Medical services.
(\$13,094.1 million in SFY09)
- Administrative costs.
(\$669.8 million in SFY2009)



Exceptions to Claiming

- Inmates of a public institution.
- Inpatients of an institution for mental diseases.
- Otherwise provided free to the public (“free care” rule).



Financing the State's Share

- Meeting the financing requirements through:
 - State funding, which can include provider taxes.
 - Certification of local government expenditures.



The Three Key Elements to a Claimable Service

- There must be a ***covered service***, provided to,
- An ***enrolled person***, by
- An ***certified provider***.

All three must exist on the date that the service was provided.



Covered Services

- Federal law mandates certain services.
- Other services are provided at the State's option.
- Illinois covers a wide range of services.



Federally Required Services

- Ambulatory services provided by rural health clinics and federally qualified health centers
- Ambulatory services to presumptively eligible pregnant women
- Early and periodic screening, diagnosis and treatment for individuals under 21 years of age
- Emergency services to non-citizens
- Family planning services and supplies
- Home health:
 - Home health aide
 - Medical supplies, equipment and appliances
 - Nursing services
 - Physical, occupational and speech therapies; audiology services



Federally Required Services (cont.)

- Inpatient hospital services (other than those provided in an institution for mental diseases)
- Medical and surgical services performed by a dentist
- Nurse practitioner (pediatric and family only)
- Nurse-midwife services
- Nursing facility and home health services for individuals 21 years of age and older
- Outpatient hospital services
- Other laboratory and X-ray services
- Physician services
- Pregnancy-related services and services for other conditions that might complicate pregnancy
- Transportation



Optional Services

- Care of individuals 65 years of age or older in institutions for mental diseases (IMD):
 - Inpatient hospital services, including State-operated facilities
 - Nursing facility services
- Case management services
- Chiropractic services
- Clinic services (Medicaid clinic option)
- Dental services:
 - Dentures
 - Emergency services
- Diagnostic services, including durable medical equipment and supplies
- Emergency hospital services
- Eyeglasses
- Home- and community-based services, through federal waivers:
 - Adults with developmental disabilities (18 years of age or older)
 - Children with developmental disabilities – residential
 - Children with developmental disabilities – support services
 - Children that are medically fragile and technology dependent (under 21 years of age)
 - Individuals who are elderly (60 years of age or older)
 - Individuals with brain injuries
 - Individuals with disabilities
 - Individuals with HIV or AIDS
 - Supportive living facilities (22 through 64 years of age with disabilities; 65 years of age or older)



Optional Services (cont.)

- Hospice services
- Inpatient psychiatric services (IMD) for individuals under 21 years of age, including State-operated facilities
- Intermediate care facility services for the mentally retarded (ICF/MR), including state-operated facilities
- Nurse anesthesia services
- Nursing facility services for individuals under 21 years of age
- Occupational therapy services
- Other practitioner services
- Physical therapy services
- Prescribed drugs
- Rehabilitative services (Medicaid rehabilitation option)
- Religious non-medical healthcare institution services
- Services provided through a health maintenance organization or a prepaid health plan
- Screening services
- Special tuberculosis-related services
- Speech, hearing and language therapy services
- Transplantation services
- Optometric services
- Podiatric services
- Preventive services, including durable medical equipment and supplies
- Program for the all-inclusive care of the elderly (PACE)
- Prosthetic devices, including durable medical equipment and supplies



Major Medical Programs that are Federally Funded

Medical assistance authorized under the Illinois Public Aid Code (305 ILCS 5/5 *et seq.*) and Title XIX of the Social Security Act, Medicaid.

Children's health insurance authorized under the Illinois Insurance Code (215 ILCS 106/1 *et seq.*) and Title XXI of the Social Security Act, the State Children's Health Insurance Program (SCHIP).



Major Eligibility Groups

- Seniors (aged 65 and older).
- Persons who meet the Social Security definition of having a disability.
- Children—under 19 years of age.
- Parents and other caretakers of dependent children.
- Pregnant women.



Family Health Plans

Cover children and parents.

- All Kids
- Family Care
- Moms and Babies
- Foster Care and Adoption Assistance



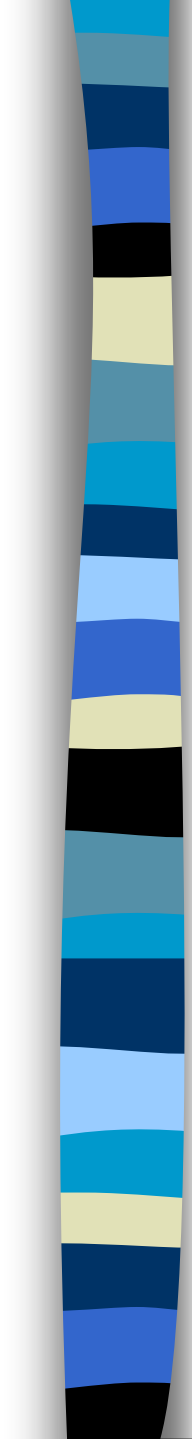
Specialty Health Plans

- Health benefits for workers with disabilities
- Health benefits for persons with breast or cervical cancer
- Illinois Cares Rx
- Illinois Healthy Women



Role of HFS as the Medicaid Single State Agency

- Defines and administers the Medicaid State plan.
- Submits claims (certifies expenditures) to the CMS.
- Requests, and is ultimately responsible for, Medicaid waivers.



Role of HFS as the Medicaid Single State Agency (cont'd)

- Monitors all federally funded Medicaid programs to assure programmatic and financial compliance.
- Point of contact with the CMS on all fiscal and programmatic issues.
- Defends claims against federal disallowances.
- Legally responsible for the entire program.



Role of Sister State Agencies

- Day-to-day operation of certain waiver and other non-waiver Medicaid programs.
- Programmatic expertise.